

Opening Statement of Chairwoman Heidi Heitkamp
As Prepared for Delivery
Senate Agriculture Subcommittee on Jobs, Rural Economic Growth and Energy
Innovation
Hearing: The Importance of Regional Strategies in Rural Economic Development

Good morning and welcome to the first hearing of the Subcommittee on Jobs, Rural Economic Growth and Energy Innovation in the 113th Congress.

I would like to take a moment to give my best wishes and prayers of support for committee member, Senator John Boozman, who is recovering from emergency open heart surgery. I look forward to soon seeing him across the table in the Ag Committee.

We're here to talk about the importance of regional strategies in rural economic development -- what has worked to boost economic development in rural communities, and what can be done in rural areas to achieve long-term, sustainable economic growth. It's a topic that presents great opportunities for North Dakota and many other states represented here on this panel.

"Regional strategies" may sound vague, but the main point is that they target resources to where they will have the most impact locally.

That could mean using resources to modernize a hospital as part of a population retention strategy so it can support more people in a community and add state-of-the-art services.

It could mean working with multiple counties and state officials to install high-speed Internet services in homes in those areas to support a regional plan to attract food processing businesses to locate closer to the farm.

Or it could mean supporting local non-profits and businesses by encouraging them to promote job training initiatives that meet the needs of a prominent industry in a particular region.

I am a product of small town America. I grew up in Mantador, ND – a town of less than 100 people, 9 of which were Heitkamps.

Because of my upbringing I'm acutely aware of the economic and growth challenges many rural communities face, low populations, low tax bases, and long distances between communities. And rural towns tend to rely more on agricultural production as a main driver of economic activity, subjecting them to the price swings of global markets and exposure to the weather risks inherent to farming.

In order for small communities, like my home town, to continue to survive, it's important that they become more connected to the global marketplace, and that we continue to build and support our towns. This requires investments in infrastructure such as high-speed Internet and transportation. Equally important, growing small town economies require careful planning that capitalizes on regional strengths.

The Senate Agriculture Committee recognized the importance of regional strategies by including in the 2014 Farm Bill new, targeted federal investments for USDA projects that support long-term regional strategies. Senator Brown, in particular, deserves recognition for his leadership in championing the regional language in the Farm Bill. Through this new approach, the Committee hopes rural communities target investment to boost economic development by harnessing their strengths.

We need to reinforce the importance of recent economic strides in rural communities, and encourage others to do the same. Even though North Dakota has been and continues to be an agriculture state, many of our farmers still get much of their income from off the farm sources. Making investments based on regions' strengths helps everyone.

In North Dakota, we have many examples of regional economic success stories:

The creation of the Jamestown Regional Hospital to provide updated medical care to more than 55,000 Jamestown residents and the nine surrounding counties. As the region has grown in population, the hospital, USDA, and others worked together to finance the project that will enable many North Dakotans to avoid traveling 90 miles to the otherwise closest hospital, and it's continuing to add services like radiation oncology and neurology.

The development of a program to help small and mid-sized producers sell locally grown vegetables. The Dakota College at Bottineau received funds from USDA to help support local farmers by helping them build business strategies, marketing programs, and direct-to-consumer channels to increase sales within the state. The initiative builds on North Dakota's strengths as an agriculture producer by giving growing farmers the tools to succeed.

And there's so much that communities in North Dakota and others around the country can continue to do to support economic development. North Dakota's energy revolution is an excellent example of a regional strength that should be leveraged to create new economic opportunities. The oil boom in my state has created great infrastructure needs, particularly in the areas of water and wastewater systems, transportation, affordable housing, and public facilities. We should encourage innovators to capitalize on the benefits of the energy boom, and seek long-term economic growth in the area by investing in needed infrastructure to support it.

I'm particularly excited to hear from Dawn Keeley from Grafton, North Dakota, one of the witnesses at today's hearing. Dawn has more than 23 years of community and economic development experience and is currently the Executive Director of the Red River Regional Council. Dawn will be able to talk about how good regional strategies can help solve local issues while also preparing communities for growth. And she has been closely involved with organizations working to respond to the rapid growth in the western part of the state and plan for the future.

All of us want to support our rural communities and enable them to grow responsibly. Today, we'll have a chance to hear examples that we can build off, and discuss programs in the Farm Bill that will support future investments in rural communities.